

**STATEMENT OF JOHN ALKE
ON BEHALF OF
BLACK HILLS POWER
IN SUPPORT OF SENATE BILL 164**

Mr. Chairman, and members of the Committee I apologize for not appearing before you in person today, but I have a mandatory attorney's conference in Federal Court that was set for the same time. This bill is important to my client, Black Hills Power, and I urge your support with a "do pass" recommendation.

Black Hills serves approximately 63,000 customers in South Dakota, Wyoming, and Montana. Only 37 of our customers are in Montana. They are in a very rural location near the Belle Creek oil field.

Black Hills is fully compliant with the overall Renewable Portfolio Standard. It has wind resources in Wyoming which have been certified by the Montana Public Service Commission as eligible renewable resources. Those wind resources will allow it to meet the 15% renewable requirement well into the future. However, they are too big to qualify as Community Renewable Resource Projects or CREPs. The Black Hills share of the current statewide CREP requirement is a very small facility - roughly a four tenths of a megawatt sized project. It would be difficult to the point of impossibility for Black Hills to cost effectively build or acquire power from such a small facility.

Senate Bill 164 will exempt Black Hills from any remaining compliance

obligations under the Renewable Portfolio Standards. Please give it a “do pass” recommendation